

July 9, 2002

The City of Nederland, Texas respectfully submits these comments in support of the statements filed by the Alliance of Local Organization Against Preemption (Alliance). Like the Alliance, the City of Nederland, Texas believes that (a) local communities should be able to require cable operators to obtain additional authorizations to utilize and occupy public rights of way to provide cable related services and to enforce existing authorizations that have been granted for the service; (b) local communities should be able to obtain fair and reasonable compensation for use and occupancy of the public rights of way to provide non-cable services; and (c) local communities should be able to regulate cable operators in their provision of non-cable services as provided in the Cable Act.

Cable service for the City of Nederland, Texas is currently provided by Time Warner Communications. The franchise agreement was initially approved in 1965, renewed in 1985, and subsequently will expire in 2010; please note that there have been several cable companies throughout this time period. The terms of the franchise agreement stipulate that fees paid by the cable operator to the City shall be based upon gross receipts "from all sources, from the sale of its services within the corporate limits of the City of Nederland..." for "compensation for the use of streets, alleys and public ways of the City." Obviously, the City's franchise agreement does not directly address cable modem service. However, the City believes that the definition of gross revenues is broad enough such that cable modem service is included.

Thank you for your time and consideration of this issue.

Respectfully submitted,

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